

January 26, 2009



GOVERNMENT
DEVELOPMENT
BANK FOR
PUERTO RICO

COMMONWEALTH OF PUERTO RICO

PO Box 42001
San Juan, PR 00940-2001
Telephone (787) 722-2525

Eng. Rubén A. Hernández Gregorat
Executive Director
Puerto Rico Highway and Transportation
Authority
Minillas Government Center - Seventh Floor
De Diego Avenue, Stop 22
Santurce, Puerto Rico

Dear Mr. Hernández:

The Board of Directors of Government Development Bank for Puerto Rico (the "Bank") adopted Resolution 9024 to authorize a line of credit of \$15,000,000 (the "Loan") to the Puerto Rico Highway and Transportation Authority ("the Authority") to finance payroll expenses.

This loan is subject to the following terms and conditions:

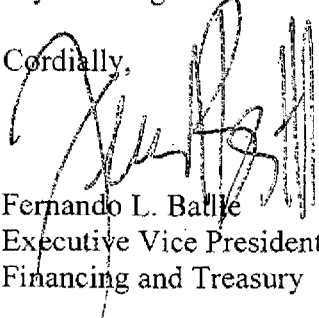
1. The principal amount of the Loan shall mature and be due and payable on June 30, 2009. The President of the Bank is hereby authorized to extend further, if necessary, the maturity date of the Loan from time to time, but in no event will the maturity of the Loan be extended beyond June 30, 2011.
2. The principal amount shall be payable solely from proceeds of bonds to be issued by the Authority pursuant to the provisions of the respective sections of the Resolutions or from any other available resources of the Authority.
3. The Loan shall bear interest until paid in full at a rate or rates per annum determined in accordance with the Loan Agreement, to be entered by and between the Bank and the Authority (the "Loan Agreement"). Interest shall be payable monthly in arrears not later than the tenth Banking Day (as defined in the Loan Agreement) following receipt from the Bank of the statement referred to in the next sentence of this paragraph, from any available moneys of the Authority. Each month the Bank shall furnish to the Authority a written statement showing the amount of interest due and payable by the Authority on the Loan for the preceding month. The Authority may prepay the Loan at any time without penalty or premium.
4. The Loan shall be junior and subordinate to outstanding bonds of the Authority and shall be subject to certain other terms and conditions, to be included in the Loan Agreement.
5. The execution and delivery by the President or the Executive Vice President of Financing, or the Vice President of the Bank designated by any of them, of the Loan Agreement by and between the Bank and the Authority are hereby authorized. Upon the execution and delivery of the Loan Agreement, the Authority shall execute a Note in the principal amount of the Loan.

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6. If there is no disbursement activity on this additional loan for a period of six months after its approval by the Board of Directors of the Bank, the loan shall be cancelled automatically.
7. This Resolution is intended to be a declaration of official intent under U.S. Treasury Department Regulation Section 1.150-2.
8. The President, the Executive Vice President, or the Vice President of the Bank designated by any of them, are hereby authorized to take all actions necessary of them to carry out the provisions of this Resolution.

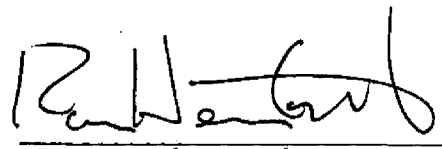
If you are agreed with these terms and conditions, please sign and return to us the copy enclosed.

Cordially,


Fernando L. Batlle
Executive Vice President
Financing and Treasury

Enclosures

Accepted:


Eng. Rubén Hernández Gregorat